UNITED STATES PATENT AND TRADEMARK OFFICE Trademark Trial and Appeal Board 2900 Crystal Drive Arlington, Virginia 22202-3513

Mailed: December 1, 2003

Cancellation No. 92041922

BUILD-A-BEAR WORKSHOP

v.

SILVER DOLLAR CITY, INC.

Before Simms, Hairston and Rogers, Administrative Trademark Judges.

By the Board:

therefor.

On April 24, 2003, petitioner filed a petition for cancellation of respondent's registration No. 2,621,460, alleging that the mark CREATE A CRITTER, for "stuffed toy animals and plush toy animals and dolls and accessories therefor, and kits for creating stuffed toy animals and plush toy animals and dolls and accessories therefor" so resembles petitioner's registered mark BUILD-A-BEAR and "BUILD-A-" family of marks for, inter alia, stuffed toy animals and plush toy animals, as to be likely, when

¹ Petitioner alleges ownership of 13 registrations and 11 applications. All but four of these are for marks that begin with "BUILD-A-." We do not consider petitioner's allegation that it has a family of marks to include the three "COLLECTI-" marks or one "FIND-A-" mark. The registrations and applications cover a variety of consumer goods and services, including stuffed toy animals, and plush toy animals and dolls and accessories

used in connection with respondent's goods, to cause confusion, mistake or to deceive prospective customers. Petitioner has also alleged that its marks are famous and claims that they are being diluted by respondent's mark.² Respondent has denied the salient allegations in the complaint.

This case now comes up for consideration of respondent's motion (filed August 29, 2003 via certificate of mailing) for summary judgment on the ground that there is no likelihood of confusion between the marks at issue as a matter of law. Respondent also seeks summary judgment on petitioner's pleaded dilution ground.³

In response to respondent's motion for summary judgment, petitioner has filed a motion for continued discovery under Fed. R. Civ. P. 56(f).⁴

² Petitioner's pleaded dilution claim is legally insufficient because there is no allegation as to which of its marks are famous and that they became famous before the date of respondent's first use of its mark. See Polaris Indus., Inc. v. DC Comics, 59 USPQ2d 1798 (TTAB 2000); see also Toro Co. v. ToroHead, Inc., 61 USPQ2d 1164 (TTAB 2001) and Boral Ltd. v. FMC Corp., 59 USPQ2d 1701 (TTAB 2000). However, for purposes of respondent's summary judgment motion, we have treated the deficiency as immaterial.

³ Petitioner's allegation that registration of respondent's mark "will inevitably falsely suggest a trade connection between Petitioner and Registrant," Petition For Cancellation, para. 39, has been construed as amplifying petitioner's Section 2(d) claim, rather than as a separately-pleaded claim under Section 2(a) of the Trademark Act.

 $^{^4}$ Petitioner also filed (on September 12, 2003) a motion to extend its time to respond to the motion for summary judgment, which is hereby denied as moot.

Petitioner has also filed a separate motion to compel respondent to answer petitioner's first set of interrogatories and requests for production of documents. Petitioner contends that respondent's discovery responses were due before the Board suspended this case to consider respondent's potentially dispositive summary judgment motion; that the filing of respondent's motion for summary judgment did not automatically suspend the case; and that respondent has refused to respond to the discovery requests until the Board rules on its motion for summary judgment.⁵

While petitioner is correct that the filing of a potentially dispositive motion, such as the motion for summary judgment here, does not automatically suspend a case, because the parties are presumed to know that the filing of such a motion will result in a suspension order, the filing itself generally will provide parties with good cause to cease or defer activities unrelated to the briefing of such motion. Thus, although proceedings had not been officially suspended by the Board at the time respondent's discovery responses were due, the Board, in this instance,

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⁵ Petitioner served its discovery requests on respondent on July 29, 2003. Under Trademark Rules 2.119(c) and 2.120(a), respondent's discovery responses were due September 2, 2003. Respondent's motion for summary judgment was filed on August 29, 2003. The Board issued an order suspending proceedings in light of respondent's motion on September 30, 2003.

will consider proceedings suspended retroactive to the date of filing of respondent's motion for summary judgment.

Accordingly, petitioner's motion to compel has not been considered because it is not germane to the pending motion for summary judgment.

PETITIONER'S MOTION FOR CONTINUED DISCOVERY

A party that seeks Rule 56(f) discovery must state, in an affidavit or declaration under Trademark Rule 2.20, the reasons why it is unable, without such discovery, to present by affidavit, facts sufficient to show the existence of a genuine issue of material fact for trial. See Keebler Co. v. Murray Bakery Products, 866 F.2d 1386, 9 USPQ2d 1736 (Fed. Cir. 1989).

In an affidavit of counsel in support of petitioner's motion for continued discovery under Federal Rule 56(f), petitioner contends that it seeks information relevant to establishing likelihood of confusion under each of the thirteen "du Pont" factors. Generally, petitioner contends that without this information petitioner cannot adequately respond to respondent's arguments that there is no likelihood of confusion as a matter of law; that

⁶ In determining whether there is a likelihood of confusion between marks, there are thirteen evidentiary factors, which the Board must consider when evidence with respect thereto is made of record. See, E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563 (CCPA 1973).

petitioner's marks are not famous; and that petitioner's marks have not been diluted by respondent's use of its mark. Specifically, petitioner contends that facts uniquely in the possession of respondent will show that respondent adopted its mark with the intent of trading off the goodwill associated with petitioner's marks.

For purposes of its summary judgment motion, respondent has conceded petitioner's priority; has conceded that the goods and services of the parties are similar; and has admitted that petitioner's marks are inherently distinctive (although respondent denies that they are famous and claims that they are actually weak and entitled to a limited scope of protection⁷). These points having been conceded, several of the *du Pont* factors are thus established, for purposes of respondent's motion for summary judgment, to favor petitioner. Thus, petitioner does not require any additional discovery on: which party has priority of use, the similarity or dissimilarity and nature of the goods or services; the similarity or dissimilarity of established,

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⁷ In support of its contention that petitioner's marks are weak, respondent has submitted a list of third-party registrations for marks beginning with the words "BUILD-A" for various goods and services. Insofar as petitioner is relying on registrations, and respondent has not counterclaimed for their cancellation, any allegation of mere descriptiveness would be an impermissible collateral attack on the registrations. Respondent is free, however, to argue that even admittedly distinctive marks are weak.

likely-to-continue trade channels; or the conditions under which purchases are made.⁸

As to the alleged fame of petitioner's marks, both individually and as a family, inasmuch as these allegations relate to matters within the knowledge and control of petitioner, petitioner has not established any need to take discovery under Rule 56(f) from respondent. On the other hand, the allegation that respondent adopted its mark with an intent to trade on the goodwill created by petitioner's marks does potentially involve information known uniquely to respondent. However, in view of the obvious dissimilarity of the marks, we do not find any allegation that respondent adopted its <u>mark</u> to trade on the goodwill of petitioner's <u>marks</u> credible or relevant. Thus, petitioner has not established that it needs discovery on respondent's adoption of its mark.

With respect to the remaining $du\ Pont$ factors, they have not been shown by petitioner to be in issue in this case. We will not allow a Trademark Rule 56(f) continuance

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⁸ We also note that with respect to trade channels, where, as here, there are no restrictions or limitations on the channels of trade as set forth in either respondent's or petitioner's issued registrations, the Board will consider that the goods and services identified therein move in all established and normal channels of trade. Therefore, petitioner does not need discovery to establish trade channel overlap. We presume it exists.

⁹ Insofar as petitioner may perceive respondent as attempting to capitalize on petitioner's idea or concept of packaging and selling items used to build or create toys, this is not the same issue as respondent adopting a <u>mark</u> similar to petitioner's.

merely on some vague hope plaintiff will turn something up that is relevant. See, generally, Quinn, Discovery

Safeguards in Motions for Summary Judgment: No Fishing

Allowed, 80 Trademark Rep. 413 (1990).

Turning to petitioner's pleaded dilution claim, again, petitioner has not shown the need for additional discovery in order to enable petitioner to attempt to raise a genuine issue either with respect to its allegation that its marks are famous, or with respect to its allegation that its marks have been diluted, whether through blurring or tarnishment, by respondent's use of its mark. As noted earlier, whatever information that exists concerning the fame of petitioner's marks and whether the alleged fame of those marks has been diluted as a result of respondent's use of its mark, is in petitioner's possession, not respondent's. Thus, there has been no showing that petitioner could obtain information from respondent that would assist petitioner in showing that an issue for trial exists on its dilution claim.

Accordingly, petitioner's motion for continued discovery under Rule 56(f) is hereby denied.

RESPONDENT'S MOTION FOR SUMMARY JUDGMENT ON LIKELIHOOD OF CONFUSION

We next turn to respondent's motion for summary judgment. Regarding petitioner's Section 2(d) claim, respondent contends that because the parties' marks are

"completely dissimilar," likelihood of confusion cannot exist as a matter of law. Registrant's Brief In Support Of Motion For Summary Judgment And For Suspension Of Proceedings Pending Disposition Of The Motion, p. 2.

Respondent argues that "this case can and should be decided on the basis of the very first DuPont factor, dissimilarity of the marks themselves." Ibid., p. 4.

It is well-established that a single du Pont factor may be dispositive in a likelihood of confusion analysis, and that where the marks are sufficiently dissimilar, there may be no likelihood of confusion despite the presence of overlapping goods and trade channels. See Champagne Louis Roederer S.A. v. Delicato Vineyards, 148 F.3d 1373, 1375, 47 USPQ2d 1459, 1460-61 (Fed. Cir. 1998)(Board, in finding no likelihood of confusion between mark CRYSTAL CREEK for wine and marks CRISTAL for wine and CRISTAL CHAMPAGNE for champagne, did not err in relying solely on dissimilarity of marks in evaluating likelihood of confusion and failing to give surpassing weight to other du Pont factors, all of which favored a likelihood of confusion; court noted that "we have previously upheld Board determinations that one DuPont factor may be dispositive in a likelihood of confusion analysis, especially when that single factor is the dissimilarity of the marks"); and Kellogg Co. v. Pack'em Enterprises, 951 F.2d 330, 332-33, 21 USPQ2d 1142, 1144-45

(Fed. Cir. 1991)(Board, in finding no likelihood of confusion between mark FROOTEE ICE and Elephant Design for packages of flavored liquid frozen into bars and mark FRUIT LOOPS for, inter alia, cereal breakfast food, correctly held that "a single du Pont factor—the dissimilarity of the marks—was dispositive of the likelihood of confusion issue"; court observed that "[we] know of no reason why, in a particular case, a single du Pont factor may not be dispositive").

In comparing petitioner's individual marks with respondent's mark, we note that there is no visual or verbal similarity beyond the presence of the letter "A" in the middle of two other words in each mark, the first word being a verb and the last word being a noun. Petitioner's marks begin with the term "build," while respondent's mark begins with "create." None of petitioner's marks use the term "critter." While there is some similarity of connotation in the product idea suggested by the marks, our trademark law does not prevent competitors from adopting marks that promote similar product lines by using suggestive marks that have the same or similar connotation, as long as the overall marks do not cause a likelihood of confusion.

With respect to the other *du Pont* factors, as noted above, they are either conceded to be in petitioner's favor or have not been shown to be in issue in this case. For

example, petitioner claims that its marks are famous, individually and as a family of marks. While petitioner has failed to delineate which specific marks it contends are famous, and has failed to describe the components of its alleged family of marks, we may surmise that petitioner intends to allege fame of its marks individually, and of a family of marks incorporating the words BUILD-A as a prefix. The Board has treated petitioner's marks as famous (individually and as a family) for purposes of deciding respondent's motion for summary judgment, and considers this du Pont factor to be in petitioner's favor.

Even conceding that resolution of the other du Pont factors favors petitioner, however, the dissimilarities of the marks so outweigh the other factors that respondent must prevail on its summary judgment motion. Because of the considerable differences in the marks involved, we find no genuine issue for trial about likelihood of confusion, i.e., likelihood of confusion does not exist as a matter of law. It is this factor which is pivotal in this case. See Kellogg Co. v. Pack'em Enterprises, supra; cf., Nabisco, Inc. v. Warner-Lambert Co., 220 F.3d 43, 48, 55 USPQ2d 1051, 1055 (2d Cir. 2000)("Having determined that the parties' use

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¹⁰ We do not presume that petitioner is claiming a family of marks having the "surname" BEAR, as the "surname" in a family of marks must be distinctive and "bear" would be descriptive or generic for petitioner's goods.

of their DENTYNE ICE and ICE BREAKERS marks is so dissimilar as to require judgment for Warner-Lambert, we need not examine the remaining *Polaroid* factors and express no view of the district court's analysis of them").

Accordingly, respondent's motion for summary judgment on the ground of likelihood of confusion is granted.

RESPONDENT'S MOTION FOR SUMMARY JUDGMENT ON DILUTION

Respondent also moves for summary judgment on petitioner's pleaded dilution claim, contending that "Petitioner's dilution claim is also completely without merit in that, as a matter of law, its claimed marks are not famous." Registrant's Motion for Summary Judgment, p. 2.

For purposes of respondent's summary judgment motion, however, we may accept as true that petitioner's marks are famous individually and as a family of marks. Nonetheless, we find that dilution cannot exist as a matter of law because of the dissimilarity of the parties' marks.

As noted above, the parties' marks are not confusingly similar. For dilution purposes, a party must prove more than confusing similarity; it must show that the marks are identical or very or substantially similar. See Toro Co. v. ToroHead, Inc., supra; see also Nabisco, Inc. v. PF Brands Inc., 191 F.3d 208, 218, 51 USPQ2d 1882, 1889 (2d Cir. 1999); Mead Data Central Inc. v. Toyota Motor Sales U.S.A.,

Inc., 875 F.2d at 1029, 10 USPQ2d 1961, 1966 (2d Cir.
1989)("absent such similarity, there can be no viable claim
of dilution"). As we stated in Toro, 61 USPQ2d at 1183:

The test for blurring is not the same as for determining whether two marks are confusingly similar for likelihood of confusion purposes. "To support an action for dilution by blurring, 'the marks must be similar enough that a significant segment of the target group sees the two marks as essentially the same.'" Luigino's, Inc. [v. Stouffer Corp., 170 F.3d 827, 832, 50 USPQ2d 1047, 1051 (8th Cir. 1999)](quoting 2 McCarthy on Trademarks and Unfair Competition, §24:90.1 (4th ed. 1998). Therefore, differences between the marks are often significant. Mead Data [Central Inc. v. Toyota Motor Sales, U.S.A., Inc. 875 F.2d 1026, 10 USPQ2d 1961 (2nd Cir. 1989)] (LEXUS for cars did not dilute LEXIS for database services).

Here, the marks are quite different in sight and sound, and have only a passing similarity in connotation or commercial impression. Therefore, despite conceding that petitioner's marks are famous, there is no genuine issue that petitioner's marks are not diluted by respondent's use of its mark on the goods identified in respondent's registration.

Accordingly, respondent's motion for summary judgment on petitioner's pleaded ground of dilution is granted.

SUMMARY

Petitioner's motion for continued discovery under Fed. R. Civ. Proc. 56(f) is denied.

Petitioner's motion to compel respondent to answer petitioner's discovery requests is not germane to the summary judgment motion and has not been considered.

Respondent's motion for summary judgment is granted on both pleaded grounds: likelihood of confusion under Section 2(d) of the Trademark Act and dilution under Section 43(c).

There being no remaining grounds upon which this cancellation proceeding may go forward, judgment is hereby entered against petitioner and the petition to cancel is hereby dismissed.